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**BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES**

Application Number: 09/849,504
Filing Date: May 04, 2001
Appellant(s): QUIGG, WILLIAM DONOVAN

Judy M. Kadoura
For Appellant

EXAMINER'S ANSWER

This is in response to the appeal brief filed 08/03/2009 appealing from the Office action mailed 12/03/2008.

(1) Real Party in Interest

A statement identifying by name the real party in interest is contained in the brief.

(2) Related Appeals and Interferences

The examiner is not aware of any related appeals, interferences, or judicial proceedings which will directly affect or be directly affected by or have a bearing on the Board's decision in the pending appeal.

(3) Status of Claims

The statement of the status of claims contained in the brief is correct.

(4) Status of Amendments After Final

The appellant's statement of the status of amendments after final rejection contained in the brief is correct.

(5) Summary of Claimed Subject Matter

The summary of claimed subject matter contained in the brief is correct.

(6) Grounds of Rejection to be Reviewed on Appeal

The appellant's statement of the grounds of rejection to be reviewed on appeal is correct.

(7) Claims Appendix

The copy of the appealed claims contained in the Appendix to the brief is correct.

(8) Evidence Relied Upon

6,173,274	RYAN, JR.	01-2001
WO 96/29263	GIACOMOZZI	09-1996

5,473,863	ITKONEN	12-1995
5,035,515	CROSSMAN ET AL	07-1991
6,421,652	LOEB ET AL	07-2002

(9) Grounds of Rejection

The following ground(s) of rejection are applicable to the appealed claims:

Claim Rejections - 35 USC § 101

35 U.S.C. 101 reads as follows:

Whoever invents or discovers any new and useful process, machine, manufacture, or composition of matter, or any new and useful improvement thereof, may obtain a patent therefor, subject to the conditions and requirements of this title.

Claims 11, 34 and 49 are rejected under 35 U.S.C. 101 because the claimed invention is directed to non-statutory subject matter. Based on Supreme Court precedent, a method/process claim must (1) be tied to another statutory class of invention (such as a particular apparatus) (see at least *Diamond v. Diehr*, 450 U.S. 175, 184 (1981); *Parker v. Flook*, 437 U.S. 584, 588 n.9 (1978); *Gottschalk v. Benson*, 409 U.S. 63, 70 (1972); *Cochrane v. Deener*, 94 U.S. 780, 787-88 (1876)) or (2) transform underlying subject matter (such as an article or materials) to a different state or thing (see at least *Gottschalk v. Benson*, 409 U.S. 63, 71 (1972)). A method/process claim that fails to meet one of the above requirements is not in compliance with the statutory requirements of 35 U.S.C. 101 for patent eligible subject matter. Here the claims fail to meet the above requirements because the steps are neither tied to another statutory class of invention (such as a particular apparatus). From the claims 11, 34 and 49, it

cannot be determined that the added term "wherein computer-executable instructions implementing the method are stored in memory of the computer system for execution by a processor of the computer system" is related to the steps mentioned in the embodiment of the claims.

Claim Rejections - 35 USC § 103

The following is a quotation of 35 U.S.C. 103(a) which forms the basis for all obviousness rejections set forth in this Office action:

(a) A patent may not be obtained though the invention is not identically disclosed or described as set forth in section 102 of this title, if the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains. Patentability shall not be negated by the manner in which the invention was made.

Claims 1-7, 9, 11, 14, 16, 18, 20-32, 34-40, 42, 44-47, 49-54, 56, 61-63, and 65-67 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ryan (US 6,173,274) in view of Giacomozzi (WO 96/29263).

As per claims 1, 11, 29 and 61, Ryan teaches:

A computer system for processing a paper product, comprising:

A processor and a memory including instructions together providing

a product order tracker configured to receive a paper product order from a paper purchaser (see Ryan column 9, lines 1-5) to purchase a paper product (see Ryan figure 1, item 17) that is produced by a manufacturer (see column 8, lines 35-40; "postage meter manufacturer"; col 4, lines 5-30; col 13, lines 1-10;). Ryan teaches a method of manufacturing a production mail system where users purchase paper products where said paper products are the mailpieces (see figure1, items 17, 19, 20).

the paper product including a roll of paper or a plurality of unbound, stacked paper sheets (see Ryan figure 1, item 17; col 6, lines 37-42). Ryan teaches that "the supervisory controller 302 instructs the accumulator module 320 how many successive pages 17a are contained within each document 17. In conventional fashion, the accumulator module 320 assembles together successive pages 17a all pertaining to a particular document 17, respectively" (see col 6, lines 37-42). Therefore, Ryan teaches that document 17 in figure 1 is a unbound, stacked paper sheet similar to Applicant's specification figure 1, item 160.

a promotions order tracker configured to receive a promotional material order from a third-party advertiser to place promotional material on an enclosure for the paper product (see column 9, line 42 – column 10, line 60)

wherein the promotional material is specifically targeted to a group of people associated with the paper purchaser, the group comprising those people likely to purchase the goods or services of the third party advertiser and wherein the group of people are likely to view the promotional material on the enclosure for an extended period of time (see col 10, lines 15-50);

and a paper product tracker configured to provide instructions for creating the enclosure for the paper product (see column 6, lines 50-52), the enclosure having the promotional material of the received promotional material order, the paper product tracker further being configured to provide instructions to enclose the paper product of the received order with the created enclosure, wherein the manufacturer, the paper purchaser, and the third-party advertiser are different entities (see column 8, lines 1-

40); and the third-party advertiser pays to have the promotional material placed on the enclosure of the paper product (see column 10, lines 14-20; column 13, lines 5-10).

Ryan does not expressly teach that the manufacturer is a paper manufacturer. However, Giacomozzi teaches that it is old and well known in the promotion art to print promotional messages or advertisements on the enclosures or wrappers of manufacture products, such as paper handkerchiefs and where said messages or advertisements are not linked to the contained paper products in said wrappers (see figure 1; abstract). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that advertisers would use the Ryan's system to print promotional materials into the wrappers of paper products, as taught by Giacomozzi in view that third party advertisers would pay the paper manufacturers (i.e. handkerchief manufacturers) for including advertisements into said wrappers, as taught by Ryan and in view that said paper manufacturers would be motivated to use said payment to lower the selling price of said manufacturers' paper products in order to better compete with other sellers of said paper products. Third party advertisers would pay Giacomozzi's paper manufacturers to include advertisements into the Giacomozzi's paper enclosures using the targeting system taught by Ryan in view that said advertisers would be able to better target their advertisements based upon customers profiles, therefore, increasing the probability that said advertisements would reach their intended target. Commercial users (see Ryan column 9, lines 1-3) would include advertisements into purchase paper products in view that said advertisements would permit said users to purchase said products at a lower price in comparison of purchasing said products without

advertisements. Official Notice is taken that it is old and well known in the business art that retailers and/or manufacturers lower the price of their inventory for the purpose of making their inventory more attractive to buyers and therefore, increasing the probability of selling said inventory. It would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that manufacturers and/or retailers of paper products would include advertisements into wrappers of said paper products in view that the money pay by advertisers for said including would allow said manufacturers and/or retailers to lower the selling price of said products, making their products more attractive to buyers and therefore, increasing the probability of selling said products.

As per claims 2, 14, 16, 18, 20-28, 31, 32, 34-36, 39, 42, 44-47, 49, 52-54, 56, and 62-63, Ryan teaches:

a remuneration tracker configured to track remuneration paid by the third-party advertiser for the promotional material and tracking receipt of remuneration from the paper purchaser for the paper product (see Ryan column 10, lines 7-17).

As per claim 3, Ryan teaches:

an artwork tracker configured to provide instructions for creating a fixed medium that includes the promotional material (see Ryan column 6, lines 50-55).

As per claims 4, 30 and 51, Ryan teaches:

wherein the promotions order tracker is configured to coordinate enclosing the paper product with a particular enclosure based on the content of the promotional material, the identity of the paper purchaser, and/or a location to which the paper

product is to be delivered (see column 9, lines 42-55 "address restriction data"; col 13, lines 30-40).

As per claim 5, Ryan teaches:

wherein the promotional material order is a first promotional material order for first promotional material and the third-party advertiser is a first third-party advertiser, and wherein the promotions order tracker is configured to receive a second promotional material order from a second third-party advertiser to place second promotional material on the enclosure (see column 10, lines 54-57).

As per claim 6, Ryan teaches:

wherein the product order tracker is configured to receive a paper product order (see column 1, lines 47-50; col 11, lines 25-60; col 12, line 60 – col 13, line 10) for unbound, stacked sheets of paper and/or a roll of paper.

As per claim 7, Ryan teaches:

wherein the promotions order tracker is configured to receive an order for an advertisement placed on a wrapper (see column 9, lines 42-67) to enclose unbound stacked sheets of paper (see col 6, lines 37-42). Ryan teaches that "the supervisory controller 302 instructs the accumulator module 320 how many successive pages 17a are contained within each document 17. In conventional fashion, the accumulator module 320 assembles together successive pages 17a all pertaining to a particular document 17, respectively" (see col 6, lines 37-42). Therefore, Ryan teaches that document 17 in figure 1 is a unbound, stacked paper sheet similar to Applicant's specification figure 1, item 160.

As per claim 9, Ryan teaches:

wherein the promotions order tracker is configured to receive an order for an advertisement placed on paper enclosure (see column 9, line 42 – column 10, line 25) but does not expressly teach that said enclosure is a box configured to enclose the paper product. However, Giacomozzi teaches that it is old and well known in the promotion art to print promotional messages or advertisements on the enclosures or wrappers of manufacture products, such as paper handkerchiefs and where said messages or advertisements are not linked to the contained paper products in said wrappers (see figure 1; abstract). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that advertisers would use the Ryan's system to print promotional materials into the wrappers of paper products (i.e. paper handkerchiefs), as taught by Giacomozzi in view that third party advertisers would pay the paper manufacturers (i.e. handkerchief manufacturers) for including advertisements into said wrappers, as taught by Ryan.

Claims 37 and 38, Ryan does not expressly teach:

Disposing the promotional material on the enclosure before disposing the paper product within the enclosure or disposing the promotional material on the enclosure after disposing the paper product within the enclosure. However, it would have been obvious to a person of ordinary skill in the art that disposing the promotional material on the enclosure before or after disposing the paper product within the enclosure would be a decision made by the person receiving the promotional material that would not affect

the step of inserting promotional material on the enclosure of paper products and therefore, would not patentably distinguish the claimed invention from the prior art.

As per claim 40, Ryan teaches:

wherein providing instructions for disposing promotional material includes providing instructions for printing an advertisement on an external surface of the enclosure (see column 9, lines 42-67).

As per claim 65, Ryan teaches:

instructing another entity to dispose the promotional material on the enclosure (see column 10, lines 54-60).

Claim 66, Ryan teaches:

wherein the product order tracker is configured to receive a paper product order for unbound, stacked, unfolded sheets of papers (see col 11, lines 25-60; col 12, line 60 – col 13, line 10; figure 1, item 17). Ryan teaches that “the supervisory controller 302 instructs the accumulator module 320 how many successive pages 17a are contained within each document 17. In conventional fashion, the accumulator module 320 assembles together successive pages 17a all pertaining to a particular document 17, respectively” (see col 6, lines 37-42). Therefore, Ryan teaches that document 17 in figure 1 is a unbound, stacked paper sheet similar to Applicant's specification figure 1, item 160.

As per claim 67, Ryan does not expressly teach wherein the paper purchaser manufacturer is an office and the group of people are employees that work in the office. However, Official Notice is taken that it is old and well known in the business art that

offices' employees orders paper products. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that offices employees would include advertisements into wrappers of order paper products, as taught by Ryan in view that said advertisers would subsidy the cost of said paper products.

Claims 8, 43 and 57-59 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ryan (US 6,173,274) in view of Giacomozzi (WO 96/29263) and further in view of Itkonen (US 5,473,863).

As per claims 8, 43 and 57-59, Ryan fails to teach:

wherein the promotions order tracker is configured to receive an order for an advertisement placed on a wrapper configured to enclose a roll of paper. However, Itkonen teaches a method for wrapping a roll of paper, where said wrapper is often printed with advertisement (see column 1, lines 64-67). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that the same method use by Ryan to print advertisements in the enclosure of unbound, stacked paper sheets (see Ryan figure 1, item 17) would be used to print advertisements in the Itkonen's roll wrapper of a roll of paper sheets in view that said wrapper would include promotions that would subsidize the cost of producing and wrapping said paper roll, as taught by Ryan.

Claims 10, 33, 41, 55 an 64 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ryan (US 6,173,274) in view of Giacomozzi (WO 96/29263) and further in view of Crossman (US 5,035,515).

As per claims 10, 33, 41, 55 and 64, Ryan fails to teach:

wherein the promotions order tracker is configured to receive an order for a coupon placed on or enclosed by the enclosure. However Crossman teaches package wrappers having detachable coupons (see figure 1). Therefore, It would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that Ryan would include third party advertisers coupons into a package wrappers, as taught by Crossman in order to offset the cost of producing said products by billing advertisers for said including, as taught by Ryan.

Claims 12, 13, 15, 17, 19 and 50 are rejected under 35 U.S.C. 103(a) as being unpatentable over Ryan (US 6,173,274) in view of Giacomozzi (WO 96/29263) and further in view of Loeb (US 6,421,652).

As per claims 12, 13, 15, 17, 19 and 50, Ryan fails to teach:

wherein receiving a paper product order includes receiving the order from an intermediate party, with the intermediate party receiving the order from the paper purchaser or a third-party advertiser and tracking receipt of remuneration from the third-party advertiser to an intermediate party for the promotional material. However, Loeb teaches that 60% of all new subscriptions are acquired by third-party service providers (see column 2, lines 10-20). Therefore, it would have been obvious to a person of ordinary skill in the art the time the application was made, to know that Ryan would use intermediary parties (i.e., agents) that would work to bring more customer to order paper products. The intermediary party would be more than willing to serve as an intermediary

in the interaction between paper purchasers and advertisers because said intermediary party would receive remuneration from said interaction.

Claim 60 is rejected under 35 U.S.C. 103(a) as being unpatentable over Ryan (US 6,173,274) in view of Giacomozzi (WO 96/29263) and further in view of Itkonen (US 5,473,863) and Crossman (US 5,035,515).

As per claim 60, Ryan fails to teach:

wherein the promotional material includes a coupon. However Crossman teaches package wrappers having detachable coupons (see figure 1). Therefore, It would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that Ryan would include third party advertisers coupons into a package wrappers, as taught by Crossman in order to offset the cost of producing said products by billing advertisers for said including, as taught by Ryan.

(10) Response to Argument

The Appellant argues in page 20 of the Brief with respect to claims 1-7, 9, 66-67 that the cited references fails to disclose "wherein the promotional material is specifically targeted to a group of people associated with the paper purchaser, the group comprising those people likely to purchase the goods or services of the third party advertiser" because according to the Appellant, Ryan only targets a single recipient and that the selection of a geographic area does not define a group, but merely acts as a filter to aid in individual targeting. The Examiner answers that the Appellant is arguing about limitation not stated in the claims when he argues that the selection of a geographic area does not define a group. Furthermore, Appellant's specification even

defines said "specifically targeted to a group of people" as targeting advertisements to a selected geographical area or target geographical market (see pages 9 and 13). Appellant's claims recite "placing promotional material on an enclosure for the paper product, wherein the promotional material is specifically targeted to a group of people". Ryan teaches placing promotional material on an enclosure for the paper product (see figure 1, items 17 and 20) wherein the promotional material is targeted based upon demographic and/or geographic location of a target audience (see col 10, lines 15-50). Ryan teaches targeting ads to commercial users (see col 9, lines 50-55), targeting ads to a cluster of recipients (i.e. group), where said clustering is based upon geographic location (see col 13, lines 32-34) and furthermore, Ryan teaches that advertisers target an audience (i.e. group of peoples) (see col 3, lines 1-2). Therefore, contrary to Appellant's argument, Ryan teaches targeting to a group of people or recipients.

The Appellant argues in page 22 of the Brief that Ryan and Giacomozzi do not teach that "the group of people are likely to view the promotional material on the enclosure for an extended period of time" because according to the Appellant, an envelope in Ryan, typically arrives at a recipient address and it is discarded and in Giacomozzi, the handkerchief wrapper, typically sits on a store shelf where it is exposed to unknown group of people. By contrast, according to the Appellant, the enclosure recited in claim 1, which encloses a roll of paper or unbound, stacked paper sheets, typically sits stacked in an oft-frequented office area (e.g. copy room) for weeks or month at a time, where the people exposed to the enclosure are typically an identifiable audience, e.g. the office employees. Thus, according to the Appellant, it

is possible to place promotional material on such an enclosure that is targeted to a known group of people that will be exposed to the people for an extended period of time. The Examiner answers that the Appellant is arguing about limitations not stated in the claims. Nowhere in Appellant's claims is recited that the enclosure recited in claim 1, which encloses a roll of paper or unbound, stacked paper sheets, typically sits stacked in an oft-frequented office area (e.g. copy room) for weeks or month at a time, where the people exposed to the enclosure are typically an identifiable audience, e.g. the office employees. Nowhere, in Appellant's claims is recited that the promotional material on such an enclosure is targeted to a "known group of people" or that said "known group of people" is typically an identifiable audience. Therefore, contrary to Appellant's argument, anybody (i.e. group of people) that view Ryan and Giacomozzi wrappers for a period of time would view the promotional material for an extended period of time and therefore, contrary to Appellant's argument, Ryan and Giacomozzi teach Appellant's claimed invention.

The Appellant argues in page 23 of the Brief that Ryan and Giacomozzi teach away from their combination because according to the Appellant, Ryan teaches away from placing promotional material on Giacomozzi's wrappers because the advertiser cannot exercise any control over who receives the message. The Appellant further argues, that in Giacomozzi, the message is received by random individuals who either purchase Giacomozzi's handkerchief packages or notice the promotional message on the package and this is, according to the Appellant, the type of advertising Ryan's invention is designed to avoid. According to the Appellant, the Examiner's suggested

use of Ryan's system to print promotional material onto Giacomozzi's wrappers contravenes one purpose of Ryan's invention – overcoming the disadvantage of conventional advertising campaigns in which the third party advertiser cannot exercise control over who receives the message. The Examiner answers that a reference can be said to teach away from what the inventor did when the reference criticizes, discredits, and discourages doing what the inventor did. See, *In re Fulton*, 391 F.3d 1195, 1201 (Fed. Cir. 2004). if Giacomozzi would have mentioned anything that disparage the targeting advertisement by user or advertisers' profile, then the Appellant would have had a point. However, Giacomozzi never mention anything that disparage targeting of advertisement. Furthermore, Giacomozzi was used by the Examiner to simply teach that it is old and well known in the promotion art to print promotional messages or advertisements on the enclosures of manufacture products, where said messages or advertisements are not linked to the contained paper products in said wrappers (see figure 1; abstract). Ryan discloses placing advertisements into the enclosure of paper products (see figure 1, item 17) where said advertisements are targeted based upon users and advertisers' profiles or preferences. Therefore, it would have been obvious to a person of ordinary skill in the art at the time the time the application was made, to know that advertisers would place advertisements in the Giacomozzi's wrappers if said advertisers would have had control on the type of advertisements that said advertisers would want to advertise and the type of users that said advertisers would want to target (*i.e.* geographic location, age, income), as taught by Ryan in view that said advertisers are paying for said placing and therefore, would like to have control of said placing.

Therefore, contrary to Appellant's argument, Giacomozzi does not teach away from allowing Ryan to place promotional material on Giacomozzi's wrappers.

The Appellant further argues in page 24 of the Brief that Giacomozzi cannot be combined with Ryan because according to the Appellant, Giacomozzi is directed to displaying promotional messages to the public at large. Therefore, the Appellant argues that one skilled in the art would have no reasonable expectation of success combining Ryan with Giacomozzi. The Examiner answers that that examiner used the Giacomozzi reference to teach that it is old and well known in the promotion art to print promotional messages or advertisements on the enclosures or wrappers of manufacture products, such as paper handkerchiefs and where said messages or advertisements are not linked to the contained paper products in said wrappers (see figure 1; abstract) and Ryan teaches targeting messages to a target audience based upon said audience demographic and/or geographic location (see col 10, lines 15-55). Therefore, contrary to Appellant's argument, Ryan and Giacomozzi are combinable.

The Appellant argues in pages 25-33 of the Brief with respect to claims 8, 11, 14, 16, 18, 20-32, 34-40, 42-47, 49-54, 56-59, 61-63 that the prior arts do not teach "wherein the promotional material is specifically targeted to a group of people associated with the paper purchaser, the group comprising those people likely to purchase the goods or services of the third party advertiser and wherein the group of people are likely to view the promotional material on the enclosure for an extended period of time". The Examiner answers that said argument was already addressed in the above paragraphs of this section Response to Argument.

The Appellant argues in page 30 of the Brief with respect to claim 65 that that the prior art does not teach "instructing another entity to dispose the promotional material on the enclosure". The Examiner answer that a multi-ad restriction data provides an indication (i.e. instruction) of whether or not a third party advertiser allows another third party advertiser (i.e. "another entity") to occupy (i.e. dispose) ad space (i.e. promotional material) on an envelope (see Ryan col 10, lines 50-67). Therefore, contrary to Appellant's argument, Ryan teaches Appellant's claimed limitation.

The Appellant argues in pages 33-34 of the Brief with respect to claims 57-59 that Itkonen does not teach that the wrapper contains promotional material that is specifically targeted to a group of people associated with the paper purchaser. The Appellant further argues that Ryan, Giacomozzi and Itkonen cannot be combined because according to the Appellant, they teach away from their combination. Furthermore, the Appellant argues that Itkonen is directed to "mill branding" where removing the crease in roll wrappers is important because creased roll wrapper looks ugly and thereby acts as bad advertising for the product and factory image and therefore, according to the Appellant, Itkonen teach away from Ryan and Giacomozzi. The Examiner answers that a reference can be said to teach away from what the inventor did when the reference criticizes, discredits, and discourages doing what the inventor did. See, *In re Fulton*, 391 F.3d 1195, 1201 (Fed. Cir. 2004). Itkonen mentioning that "removing the crease in roll wrappers is important because creased roll wrapper looks ugly and thereby acts as bad advertising for the product and factory image" is not a evidence of teaching away from Ryan and Giacomozzi because Itkonen

is not criticizing or discouraging placing targeted advertising in a Itkonen's roll wrapper. Ryan teaches of a wrapper that contains promotional material that is specifically targeted to a group of people associated with a paper purchaser (see Ryan figure 1, item 17, col 10, lines 15-50) and Itkonen teaches that it is old and well known to place advertising logos in roll wrappers (see col 1, lines 60-67). Therefore, it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know that the same method use by Ryan to print advertisements in the enclosure of unbound, stacked paper sheets (see Ryan figure 1, item 17) would be used to print advertisements in the Itkonen's roll wrapper of a roll of paper sheets in view that said wrapper would include promotions that would subsidize the cost of producing and wrapping said paper roll, as taught by Ryan.

The Appellant argues in pages 35-37 with respect to claims 10, 33, 41, 55 and 64 that there is no reason to combine Ryan, Giacomozzi and Crossman. The Appellant further argues that Ryan already includes placing third party advertisements on envelopes as a way of offsetting the cost of producing mailpieces by billing advertisers and therefore, according to the Appellant, so according to the Appellant, Ryan already has the advantage the absence of which the Examiner suggests would motivate one to combine Ryan, Giacomozzi and Crossman and therefore, according to the Appellant, there would be no reason to combine Ryan and Crossman to achieve this advantage. The Examiner answers that claims 10, 33, 41, 55 and 64 recite "wherein the promotion order tracker is configured to receive an order for a coupon placed on or enclosed by the enclosure". The Examiner use the Crossman reference to teach that it is old and

well known in the promotion art to print or attach coupons to wrappers (see col 1, lines 15-25; col 10-20; col 3, lines 5-60) package wrappers. Therefore, contrary to Appellant's argument, Ryan and Crossman were combined to modify the Ryan invention to include coupons in wrappers in order to offset the cost of producing wrappers by billing advertisers for said including of coupons in said wrappers. Therefore, contrary to Appellant's argument, Ryan and Crossman are combinable.

The Appellant argues in page 27 of the Brief that Ryan, Giacomozzi and Crossman teach away from their combination because according to the Appellant, Crossman discredits technique, like Ryan, which print the promotional message directly onto the packaging because Crossman mentioned that coupon printed directly printed onto packaging are not easily removed and if they are removed, the packaging is damaged". The Examiner answers that for Crossman to teach away from Ryan, Crossman would have to mention a limitation that coupons cannot be printed in wrappers and nowhere in Crossman is mentioned said limitation. Crossman teaches that it is old and well known in the promotion art to print coupons in packaging not matter if said packaging is damaged when said coupon is removed (see col 1, lines 15-25, col 2, lines 10-20). Furthermore, Crossman teaches printing coupons on a detachable compartment of a packaging, where said detachable compartment is integral part of said packaging (see col 3, lines 10-30). Therefore, contrary to Appellant, Crossman does not teach away from Ryan and it would have been obvious to a person of ordinary skill in the art at the time the application was made, to know to modify the Ryan invention to include third party advertisers coupons into a package wrappers, as

taught by Crossman in order to offset the cost of producing said products by billing advertisers for said including.

The Appellant argues in pages 37-38 of the Brief with respect to claims 12-13, 15, 17, 19 and 50 that Loeb does not disclose tracking receipt of remuneration. The Examiner answers that Loeb teaches a system that allows an agent (i.e. central controller) to pass on acquisition costs to multiple publishers (see col 2, lines 17-22), where each publisher is charged a certain fee (i.e. remuneration) based on trade publications selected and the number of subscription provided (see col 3, line 35 - col 4, line 10). Therefore, contrary to Appellant's argument, Loeb teaches tracking receipt of remuneration and it would have been obvious to a person of ordinary skill in the art the time the application was made, to know that Ryan would use intermediary parties (i.e., agents) that would work to bring more customer to order paper products. The intermediary party would be more than willing to serve as an intermediary in the interaction between paper purchasers and advertisers because said intermediary party would receive remuneration (i.e. fee charged) from said interaction.

The Appellant argues in pages 38-41 of the Brief with respect to claims 12-13, 15, 17, 19 and 50 that the prior arts do not teach "instructing an intermediary party to place the advertisement on the wrapper" and that it is unclear how one of ordinary skill would integrate Loeb's agents with Ryan's system. The Examiner answers that Loeb teaches that intermediary party (i.e. central controller) place advertisements from different advertisers on physical statements such as credit card statements or frequent flyer statements (see col 9, lines 15-25) where said intermediary receive remuneration

from said advertisers (i.e. fee charged) for said placement (see col 3, line 35 - col 4, line 10). Ryan teaches a system where advertisers place targeted advertisements on physical statements, such as credit card statements (see col 5, lines 30-45) and where said advertisers pay an advertising fee to a data center (i.e. central controller) for said placement (see col 13, lines 1-10). Therefore, it would have been obvious to a person of ordinary skill in the art the time the application was made, to know that Ryan would use intermediary parties (i.e., agents) that would work to bring more customer to order paper products. The intermediary party would be more than willing to serve as an intermediary in the interaction between paper purchasers and advertisers because said intermediary party would receive remuneration from said interaction.

The Appellant argues in page 41 with respect to claim 60 that the prior arts do not teach Appellant's claimed invention due to the dependency from claim 57. The Examiner answers to please see above paragraphs for Examiner's response with respect to claim 57.

The Appellant argues in pages 41-43 with respect to the Declaration of Commercial Success Evidences Non-Obviousness of Claimed Invention filed 11/28/05 that Appellant's gross sales figures are evidence of commercial success and the sale of cartons vary on a weekly and monthly basis due to numerous factors and therefore, picking and choosing weeks with high sales volume before introduction of the invention and weeks of low sales volume after introduction of the invention does not accurately illustrate the effect of the invention of sales. The Appellant further argues that because of the inherent variability in sales over short periods of time, a more accurate depiction

of a trend in sales includes examining average and according to the Appellant, when viewed under this standard, the sales data presented in Affidavit filed 11/28/05 shows greater average sales after the claimed invention was introduced. The Examiner answers that as mentioned by the Appellant, the sale of products vary on a weekly and monthly basis due to numerous factors, therefore, the Examiner answers that in order to determine if sales were up or not, the comparison in sales would have to be at least between the same months and weeks from a prior year in order to avoid any distortion due to seasonality. Therefore, the data shown in Applicant's exhibit B filed 11/28/05, where the Appellant compared the average sales of the period between 10/31/04 and 07/03/05 (i.e. before the introduction of the invention) with the average sales of the period between 07/17/05 and 09/25/05 (i.e. after the introduction of the invention) does not show a nexus between commercial success and the merits of the claimed invention, which would overcome the obviousness rejection as the Appellant is comparing the average sales of totally different months and weeks without considering the numerous factors that would make the sale of cartons vary on a weekly and monthly basis, such as high or low volume months.

The Appellant further argues in page 43 of the Brief that the Examiner concedes that the claimed invention resulted in a 28% increase in sale and according to the Appellant, a 28% increase in sales –particularly in the sale of commodity such as paper products – is sufficient to warrant a finding of commercial success and therefore, according to the Appellant, supports a conclusion of non-obviousness. The Examiner answers that if 28% increase in sales is sufficient to warrant a finding of commercial

success was not presented as evidence in the Affidavit filed 11/28/05. The Appellant recites in Affidavit filed 11/28/05 that "he believes the 68% increase in sales would have been greater, but for the limit Costco has temporary placed on the number of cartons of paper that each customer can purchase". However, the Appellant's declaration does not explain why for the weeks of 4/17/05, 5/15/05, 5/29/05 and 6/5/05 which occurred prior to Applicant's claimed invention, the average number of cartons shipped to Costco was higher than the average number of cartons shipped to Costco in the weeks that included the Appellant's claimed invention such as 7/24/05-8/7/05, 9/4/05, 9/11/05 and 9/25/05. And also, although Costco placed a temporary limit of the number of cartons, 5040 cartons were shipped in the weeks of 7/17/05 and 8/28/05, therefore, indicating that the limit was not 2520 cartons, which is what Appellant's declaration shows that was shipped on the week of 7/24/05-8/7/05, 9/4/05, 9/11/05 and 9/25/05. Appellant's declaration does not explain why there were whole months previous 7/17/05 that more cartons were shipped to Costco than cartons shipped after 7/17/05. Furthermore, the data in Appellant's Exhibit B shows that counting the same amount of weeks previous and after the beginning 7/17/05, the average shipped cartons between 4/10/05 to 6/26/05 was 2530 cartons and the average shipped cartons between 7/17/05 to 9/25/05 was 3,250 cartons for a difference of only 28% and not 68%. The Examiner is not taking into account the data on 7/3/05 because that data shows 320 shipped cartons that clearly is way out of the number of cartons shipped for the previous 4 month. The Appellant mentioned in page 42 of the Brief that due to numerous factors, the sale of cartons vary on a weekly and monthly basis. Therefore, the data shown in Applicant's

exhibit B, which goes only for less than a year (i.e. 12/19/04-09/25/05) does not show a nexus between commercial success and the merits of the claimed invention, which would overcome the obviousness rejection as said data does not take into consideration the numerous factors that would make the sale of cartons to vary on a weekly and monthly basis. For example, comparing the average sale data between two different years (e.g. 01/04-12/31/04 vs 01/05-12/31/05).

(11) Related Proceeding(s) Appendix

No decision rendered by a court or the Board is identified by the examiner in the Related Appeals and Interferences section of this examiner's answer.

For the above reasons, it is believed that the rejections should be sustained.

Respectfully submitted,

/DANIEL LASTRA/
Primary Examiner, Art Unit 3688
October 17, 2009

Conferees:

/R. W./

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